

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY, OCTOBER 23, 2007**, upon the application of **JUSTISS OIL COMPANY, INC.**

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Annona Chalk, Reservoir A**, in the Olla Field, LaSalle Parish, Louisiana.

1. To establish rules and regulations and to create seven (7) drilling and production units for the exploration for and production of oil, gas and condensate from the Annona Chalk, Reservoir A.
2. To force pool and integrate all separately owned tracts, mineral interest and other property interests within each of the proposed units and with each sharing in unit production on a surface acreage basis of participation.
3. To authorize special field spacing rules for future horizontal wells drilled to the Annona Chalk, Reservoir A, which would provide as follows:
 - (a) that the penetration point and terminus of any lateral of any such horizontal well should be located no closer than 330 feet to any unit boundary.
 - (b) that the distance from any point along the productive portion and those unit boundaries which run generally parallel to the direction in which the laterals are drilled should not be less than 500 feet.
 - (c) that there be no well spacing limitations between wells other than that accomplished by application of the previously stated provisions.
4. To authorize special field rules for future vertical wells drilled to the Annona Chalk, Reservoir A, which would provide for: (a) well bore location no closer than 330 feet to any unit boundary and (b) that there be no well spacing limitations between wells other than that accomplished by application of Item 4(a).
5. To provide that future horizontal wells drilled to the Annona Chalk, Reservoir A, be given an allowable based on the maximum efficient rate (MER) of the well, being the maximum sustainable daily withdrawal rate from the reservoir which will permit the economic development and reservoir depletion without causing waste in accordance with the provisions of Statewide Order No. 151-A-2 (LAC 43:XIX.3701-3709).
6. To provide that two (2) currently existing vertical wells drilled to and producing from the Annona Chalk, Reservoir A, namely the Justiss Oil Company, Inc.-LA Central IPNH No. 1 and Justiss Oil Company, Inc.-LA Central IPNH No. 4, be granted exception to the proposed special field rules referenced in Item No. 4 above. The Justiss Oil Company, Inc.-LA Central IPNH No. 1 is located 160' FWL of the boundary between proposed ANN C RA SUC and ANN C RA SUD. The Justiss Oil Company, Inc.-LA Central IPNH No. 4 is located 300' FWL of the boundary between proposed ANN C RA SUA and ANN C RA SUB, both in exception to the proposed special field rules set forth above.
7. To designate the four (4) currently existing wells as unit wells and Justiss Oil Company, Inc. as Operator for the following proposed drilling and production units:
 - Justiss Oil Company, Inc. - LA Central IPNH No. 1 for ANN C RA SUC
 - Justiss Oil Company, Inc. - LA Central IPNH No. 2 for ANN C RA SUD
 - Justiss Oil Company, Inc. - LA Central IPNH No. 3 for ANN C RA SUB
 - Justiss Oil Company, Inc. - LA Central IPNH No. 4 for ANN C RA SUA

OLLA FIELD
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8. To designate the proposed Justiss Oil Company, Inc.-LA Central IPNH No. 5 for ANN C RA SUC shown on the plat submitted with the application, as an alternate unit well, and to determine that the proposed location of said well will effectively and efficiently drain portions of the reservoir which would not otherwise be drained by the existing well bore in ANN C RA SUC absent the approval of the alternate unit well.
9. To determine that the proposed locations of the wells shown in Paragraph 6 above as exceptional locations will effectively and efficiently drain portions of the reservoir which would not otherwise be drained absent the approval of the exceptional locations.
10. To consider such other matters as may be pertinent.

The Annona Chalk, Reservoir A, is proposed to be defined as being that oil, gas and condensate bearing formation encountered between the depths of 4,464' and 4,594' (electrical log measurements) in the Justiss Oil Company, Inc.-LA Central IPNH Well No. 3 (SN 235071), located in Section 1, Township 9 North, Range 2 East.

A plat is available for inspection in the Office of Conservation in **Baton Rouge** and **Monroe**, Louisiana.
www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

Baton Rouge, LA

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IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.